

Before the
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Evolutionary Network Development)
Service Changes, 2006)

Docket No. N2006-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS PRANAB M. SHAH (OCA/USPS-T1-10-16)
March 9, 2006

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-5, dated March 3, 2006, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T1-10. Please turn to your testimony at page 5, Figure 2, where you illustrate the current network complexities, and your testimony at page 12, Figure 3, Network Simplification. It is our understanding that in addressing network redesign the Postal Service is attempting to move from the type of situation portrayed in Figure 2 to a simplified network as portrayed in Figure 3. Please confirm this understanding. If you do not confirm, please explain your response in detail.

OCA/USPS-T1-11. Has the Postal Service performed an END or AMP analysis of part or all of the facilities and network in Figure 2?

- a. Assuming that your answer is “yes,” please provide the analyses and conclusions. Please identify and quantify cost savings and service changes.
- b. Assuming that your answer is that the analysis is currently ongoing, please provide information on the extent of the study, details of the study, and expected findings and conclusions.
- c. Assuming that your answer is “no,” please explain why no study is being conducted and the extent to which you believe that such a study would or would not be applicable to enhance efficiency in the Postal network.

OCA/USPS-T1-12. Please explain how the facilities and network identified in Figure 2 of your testimony, page 5, relate to your testimony on page 2, lines 13 through page 3, line 5.

- a. Please identify overlapping, single product networks and how they would be consolidated or eliminated.

- b. Please identify excess capacity in Figure 2, as could be inferred from the discussion in lines 16 through 19 of page 2 of your testimony.
- c. In simplifying the network, how many studies, simulations, or analyses would be necessary? Also provide specific details as to types of studies, possible content, and techniques.
- d. Please explain how the network could be expected to be structured after performance and implementation of studies discussed in (c).
- e. What would be the expected cost reduction from the implementation of the recommendations of an END or other study or studies performed on the network in Figure 2?

OCA/USPS-T1-13. In your discussion of the Evolutionary Network Development (END) model, you mention the model as using “computer simulations as a tool in the development of more efficient and flexible mail processing and transportation networks that are better suited to current and future postal needs”. At page 7, lines 6-8.

- a. Please describe the types of equipment, facility, and processing changes or modifications which you view as necessary to obtain “more efficiency and flexible mail processing and transportation...” in implementing the results of a restructuring study.
- b. Please furnish a case study of the application of the model, including computer inputs, outputs, assumptions, and conclusions.
- c. Please furnish the model and any instructions necessary to duplicate the work identified in (b) of this question.
- d. Please explain the effects, if any, on service standards.

OCA/USPS-T1-14. Please turn to your testimony on page 8, lines 1 through 5. Please describe in detail the nature of the interactive process involving Headquarters and affected Area Offices.

OCA/USPS-T1-15. Please turn to your testimony on page 9, lines 4-8, where you discuss service. Please explain factors which could cause service standards to increase or decrease.

OCA/USPS-T1-16. Please turn to your testimony at 11, lines 20-22. Please explain how the Surface Transfer Centers (STCs) will provide consolidation opportunities beyond those which are currently available.